Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

Claims 1-20 (canceled)

- 21. (new) An automated article dispensing device for dispensing articles to a plurality of users, the device comprising:
 - a) a plurality of storage compartments configured for storage of a vertical stack of cloth articles, said storage compartments arranged in a plurality of tiers;
 - b) a plurality of cloth articles deployed in at least some of said storage compartments in vertical stack configurations;
 - c) at least one dispensing outlet;
 - d) an article delivery system configured to retrieve a top-most article from at least one said stack and deliver said article to said dispensing outlet, said article delivery system including a plurality of article retrieval systems equal in number to the number of tiers of said storage compartments;
 - e) a user interface unit accessible to the users; and
 - f) an on-board processing unit configured to control said article delivery system, said on-board processing unit being in electrical communication with said article delivery system, and said user interface unit.
- 22. (new) The device of claim 21, wherein said article delivery system is primarily deployed behind said storage compartment.

Appl. No. 10/550,542 Amdt. dated 18 March 2008 Reply to Office action of 7 March 2008

- 23. (new) The device of claim 21, wherein said article delivery system includes a vacuum article retrieval system configured for temporary attachment to said top-most article in said stack via suction.
- 24. (new) The device of claim 21, wherein said article delivery system includes an article contact sensor.
- 25. (new) The device of claim 21, wherein said article delivery system includes at least one vertical track upon which said vacuum article retrieval system is displaced.
- 26. (new) An interactive automated article dispensing system for dispensing articles to a plurality of users, the system comprising:
 - a) at least one dispensing device including:
 - a plurality of storage compartments configured for storage
 of a vertical stack of cloth articles, said storage
 compartments arranged in a plurality of tiers;
 - a plurality of cloth articles deployed in at least some of said storage compartments in vertical stack configurations;
 - iii) at least one dispensing outlet;
 - iv) an article delivery system configured to retrieve a topmost article from at least one said stack and deliver said article to said dispensing outlet, said article delivery system including a plurality of article retrieval systems equal in number to the number of tiers of said storage compartments;
 - v) a user interface unit accessible to the users; and

- vi) an on-board processing unit configured to control said article delivery system, said on-board processing unit being in electrical communication with said article delivery system, and said user interface unit;
- b) an article return device;
- a user credit tracking system for tracking a number of said articles a user is currently authorized to have dispensed, such that on receipt of a request to dispense an article entered by a user via the user interface, and conditional at least upon the user having a current credit of at least one, the article delivery system is actuated to deliver a requested article to said dispensing outlet and the current credit of the user is decreased by one, and on return of an article to the article return system, the current credit of the user is increased by one.
- 27. (new) The system of claim 26, wherein said article delivery system is primarily deployed behind said storage compartment.
- 28. (new) The system of claim 26, wherein said article delivery system includes a vacuum article retrieval system configured for temporary attachment to said top-most article in said stack via suction.
- 29. (new) The system of claim 26, further including a remote central processing unit in at least data communication with at least one said dispensing device, thereby forming an overall system of said dispensing device, said central processing unit configured to at least maintain a database of said articles in said overall system and a location of deployment of each of said articles within said overall system.
- 30. (new) The system of claim 26, wherein said on-board processor is configured to initiate an interactive communication with the user, using said

Appl. No. 10/550,542 Amdt. dated 18 March 2008 Reply to Office action of 7 March 2008

user interface unit, to attempt an optional fulfillment solution when said database indicates that said requested article is unavailable for dispensing, a present dispensing device and said on-board processor is configured to indicate a location of an alternative dispensing device within said overall system at which that said requested article is available for dispensing.

- 31. (new) The system of claim 26, further including an article return system configured to receive a returned article and record an article return transaction and said user credit tracking system is further configured such that on return of said article to the article return system, the current credit of the user is increased by one.
- 32. (new) An interactive automated article dispensing method for dispensing articles to a plurality of users, the method comprising:
 - a) providing at least one dispensing device including:
 - a plurality of storage compartments configured for storage
 of a vertical stack of cloth articles, said storage
 compartments arranged in a plurality of tiers;
 - a plurality of cloth articles deployed in at least some of said storage compartments in vertical stack configurations;
 - iii) at least one dispensing outlet;
 - iv) an article delivery system configured to retrieve a topmost article from at least one said stack and deliver said article to said dispensing outlet, said article delivery system including a plurality of article retrieval systems equal in number to the number of tiers of said storage compartments;

- v) a user interface unit accessible to the users; and
- vi) an on-board processing unit configured to control said article delivery system, said on-board processing unit being in electrical communication with said article delivery system, and said user interface unit;
- b) providing an article return device;
- tracking of user credit by a user credit tracking system for tracking a number of said articles a user is currently authorized to have dispensed;
- d) on receipt of a request to dispense an article entered by a user via the user interface, actuating said article delivery system is actuated to deliver a requested article to said dispensing outlet and the current credit of the user is decreased by one, conditional at least upon the user having a current credit of at least one; and
- e) on return of an article to the article return system, the current credit of the user is increased by one.
- 33. (new) The method of claim 32, wherein said article delivery system is implemented with a vacuum article retrieval system configured for temporary attachment to said top-most article in said stack via suction.
- 34. (new) The method of claim 32, wherein said on-board processor is implemented so as to initiate a first interactive communication with the user, using said user interface unit, when the current credit of the user is insufficient to allow fulfilling of a request to dispense an article.
- 35. (new) The method of claim 32, wherein said on-board processor is implemented so as to monitor a preset number of system transactions authorized for each user.

Appl. No. 10/550,542 Amdt. dated 18 March 2008 Reply to Office action of 7 March 2008

- 36. (new) The method of claim 32, further including establishing data communication between a remote central processing unit and at least one said dispensing device, thereby forming an overall system of said dispensing device, said central processing unit configured to at least maintain a database of said articles in said overall system and a location of deployment of each of said articles within said overall system.
- 37. (new) The method of claim 32, wherein said article return device is implemented so as to receive a returned article and record an article return transaction,
- 38. (new) The method of claim 37, wherein said user credit tracking system is implemented such that on return of an article to the article return system, the current credit of the user is increased by one.